STARS MANUAL

CLASSIFICATION STRUCTURE

INTRODUCTION

The STARS Accounting Classification Structure is the series of accounting codes that STARS uses to categorize individual accounting transactions for subsequent reporting, tracking, and budgetary control. The classification structure is essentially the STARS accounting system's "chart of accounts."

CURRENT REVISIONS LOG

March 21, 2003 – Changed this chapter to a summary of the classification structure subchapters. Put the Statewide Classification Structure into its own subchapter as well as the Agency Classification Structure.

CLASSIFICATION STRUCTURES – WHAT ARE THEY

Given the complex and varied requirements of government financial management and reporting, the classification structures within STARS can be complex. For example, the legislature requires agencies to track and control their expenditures based on appropriations the legislature approves. Agencies may also need to track and control expenditures based on federal grant awards. The State of Idaho needs to produce an annual statewide financial report; so STARS must have the "chart of account" elements that allow production of key financial statements. In addition, each state agency using STARS need to report on their financial information by their internal divisions and programs, so they can manage each of those businesses. Each of these different reporting requirements essentially asks for a different view of the financial information. The various accounting codes (classification structure elements) that exist in STARS help create these different views.

_____

TYPES OF CLASSIFICATION STRUCTURE

There are two types of classification structure:

- STATEWIDE CLASSIFICATION STRUCTURE - Structure controlled on a statewide basis. These are the "chart of account" elements that allow production of key financial statements, including the annual statewide financial report (CAFR).

- AGENCY CLASSIFICATION STRUCTURE - Structure controlled by each agency. Your agency defines the specific lines of authority and responsibility organizationally within your agency. You also define your activities generally related to the programmatic goals and objectives of your agency. This structure determines the reporting and control hierarchy within your agency.

The majority of the statewide structure is set up in STARS using the DESCR-23 form. Most agency classification structures are setup using a variety of forms.

STATEWIDE CLASSIFICATION STRUCTURE

Statewide classification structure affects all agencies when any of the information on this structure is set up or changed. This subchapter will fully describe the types of statewide classification structure. See the Statewide Classification Structure subchapter for more information.

Types of Statewide Classification Structures:

Type	Description
FUNDS	STARS' fund structure allows you to maintain a separate balance sheet for different types of activities, businesses, or sources and uses of funds. Examples of common funds include the general fund, the federal fund, the state regulatory fund, etc.
	We establish the fund structure cooperatively between the Division of Statewide Accounting and the Division of Financial Management (DFM). However, certain sections of Idaho Code may dictate setup requirements. Appropriation laws passed by the State Legislature may also guide fund structures.
	Fund details are also set up as necessary to ensure correct accounting for legislative purposes or management control.

_____

OBJECTS	STARS' object structure allows you to categorize revenues and expenditures by the nature of the receipt or disbursement. Examples of revenues can be fuel taxes, or licensing fees. Expenditures can be temporary employee salary, postal and mail, office supplies, etc.
	Expenditure objects are important because most agencies have appropriations that limit the amounts that can be spent by the major object categories – Personnel Costs, Operating Expenses, Capital Outlay and Trustee and Benefits.
	The Division of Statewide Accounting establishes object codes with approval by the Division of Financial Management. We revise and occasionally update these objects and subobjects, based on agency feedback and legislative data requirements. Agencies can define their own subobject details.
GENERAL LEDGER – SUBSIDIARY ACCOUNTS	STARS' general ledger accounts structure helps you track various types of assets, liabilities, etc. within a particular fund. Different general ledgers exist for accounts such as Cash, Accounts Receivable, Suspense Deposits, etc.
	This classification structure element is the key tool for producing a trial balance and balance sheet for a fund. The Division of Statewide Accounting maintains the general ledger accounts, which do not change very often.
	Some general ledger accounts also have subsidiary accounts associated with them, allowing you, for example, to track a variety of different suspense deposit balances within a given fund.
STATE GOALS, STATE OBJECTS, DEPARTMENTS	The State of Idaho groups budgetary programs within a specific goal and objective for the State as well as individual departments.
	In order to extract information at those levels, STARS requires that we assign a specific goal and objective for each budgetary program (budget unit). The Division of Financial Management decides the goal and objective for each budget unit.
	Idaho Code defines departments.

_____

AGENCY CLASSIFICATION STRUCTURE

Agency classification structure only affects the individual agencies when any of the information on this structure is set up or changed. When you code accounting transactions with an accounting code during transaction processing, you can subsequently report on the financial balances (e.g. total expenditures, revenues) as broken down by various accounting codes. As your agency enters accounting transactions into the STARS system, you will enter some of these structure elements directly and others are "looked-up" by other structure input. This classification structure determines your ability for subsequent reporting, tracking, and budgetary control.

In this subchapter, we fully describe the types of agency classification structure. See the Agency Classification Structure subchapter for more information.

TYPE	EXPLANATION
SUBOBJECT DETAIL	STARS' object structure allows your agency to define your own category of revenues and expenditures below the statewide subobject structure. Examples of revenue subobject details can be different types of fuel taxes, different types of licensing fees, etc. Expenditure subobject details can be different types of accounting services, different types of data processing software, etc. Each agency can have its own set of subobject details.
BUDGET UNITS	Budget Units are the mechanism in STARS to automatically control program levels set by the legislature. Legislative "programs" determine how budget units are normally set up within each agency. The budget unit setup determines: whether appropriation or allocation controls are fatal, the level of organization and program to control, whether you will be controlling appropriations or allocations down to the project/phase level, to which expenditure object level you will control and post appropriations or allocations.

_____

TYPE	EXPLANATION
ORGANIZATION STRUCTURE (Index-driven)	STARS' organization structure lets you define codes that identify the structure of your organization. The organizational structure deals more with the types of jobs people perform than the programs they service. The organization structure can tell you if these same people are with payroll, accounting, information systems, inventory, data processing etc. For example, your agency may have a structure with multiple regions, so you could set up Region 1 through 7. Regions can even be broken down into districts, so that for example, Region 1 could have 3 districts underneath it. Agencies generally have complete control over their own organization structures; however, the Division of Financial Management must approve some of the higher levels of this structure. The organization structure uses the Index as its "lookup" tool.
PROGRAM STRUCTURE (PCA-driven)	STARS' program structure gives you the ability to define the major programs within your agency. STARS uses the program structure to capture those categories that are program-related. Where the organization structure dealt with the type of work people within the organization do, (accountants, data processors, clerks, payroll, etc.), the program structure relates to the programs behind that work – fish and stream management, licensing, field study etc. Agencies generally have complete control over their own program structures; however, the Division of Financial Management must approve some of the higher levels of this structure. The program structure uses the PCA as its "lookup" tool.

_____

TYPE	EXPLANATION
CODING REDUCTION TECHNIQUES USING INDEXES AND PCAS	STARS requires most of the transactions to have both a four-digit INDEX and a five-digit PCA. The Index or PCA are codes your agency uses to identify certain programs (PCA) or organization (Index) structure.
	The Indexes and PCAs are "lookup" codes that help decrease the amount of data fields you have to enter. Since many of your transactions require posting to the same data fields time after time, these "lookup" codes can be set up to automatically input (lookup) the same data element information each time you use them.
	Most agencies are either PCA-driven (where the PCA automatically inputs the Index) or Index-driven (where the Index automatically inputs the PCA). Some agencies are both.
	The system can generate different levels of reports for your agency based on the agency structure that you attach to these codes. These are set up at the first of each year by your agency.
	See the Index or PCA subchapters for more information.

OTHER AGENCY CLASSIFICATION STRUCTURES

The main agency classification structure (organization and program structure) is set up at the beginning of the fiscal year. Due to the amount of detail needed, you may find that you want to add more detail structure elements during the year.

The more common elements of this structure are Index, PCA, Grant, and Project. These subjects are explained in separate chapters on the SCO Web site.

INDEX

The Index Code Table records accounting data at various levels of organizational detail. This table reduces the quantity of data entry needed on transactions. You must know:

- Your agency's Organization structure requirements.
- Your PCA structure, as well as how your agency uses it for reporting.
- If your Index should look up a Grant, and how to find it on STARS.
- If your Index should look up a Project, and how to find it on STARS.
- Agencies generally have complete control over their Index codes.

See the Index subchapter for more information.

_____

_____

PCA

The PCA Table provides the means for recording accounting data at various levels of program detail. This table provides a simple method of reducing the quantity of input coding STARS requires on transactions. You must know:

- Your agency's Program structure requirements.

- Your index structure, as well as how your agency uses it for reporting.

- If your PCA should look up a grant, and how to find it on STARS.

- If your PCA should look up a project, and how to find it on STARS.

Agencies generally have complete control over their PCA codes.

See the PCA subchapter for more information.

GRANT

The grant classification structure elements help you track grant awards from the federal government or from other sources. Grants can track revenues and expenditures across state fiscal years. Since the federal fiscal year (October 1 to September 30) is different from the State's fiscal year (July 1 to June 30), this is particularly important.

Grants do not have to be a formal federal grant but are tools to collect any type of information your agency wants to accumulate in one place.

You can control grants by a grant budget and/or available cash amounts per grant, if needed.

Grants can post to the General Ledger for Trial Balance information.

Grants are usually the higher-level collection source with sections of the grant being broken out into projects. You can also use grants by themselves.

Agencies generally have complete control over their grant structure.

See the Grants subchapter for more information.

PROJECT

The project structure in STARS allows you to track information that may relate to special projects. Sometimes many people in different organizations and programs in your agency may work on a construction project or a special systems project. If you code all costs associated with these projects with a unique STARS project code, you can later report on the total project regardless of what organization or program incurred the costs.

Projects are similar to grants in that they can also have their own budgets, and can track revenues and expenditures across state fiscal years. However, STARS cannot control the projects based on available cash amounts nor can the projects post to the General Ledger file for Trial Balances like the Grant.

_____

_____

Projects can be a breakdown of projects under a specific Grant or you can use them by themselves. Some agencies will switch the hierarchy between projects and grants, putting the project as the higher accumulator if they want a lower level to have grant cash control capabilities.

Agencies generally have complete control over their project structure.

See the Projects subchapter for more information.

AGENCY DESCRIPTOR TABLES

STARS uses various agency descriptor tables to maintain and inquire on a wide variety of codes, titles, and reference data. STARS uses these titles for reporting as well as on-line inquiries. STARS has additional coding elements you can use to track unique agency level information. If the variety of standard classification structure elements does not give you what you need, you may want to investigate the use of these additional coding elements such as facility, task, or location codes to categorize your financial transactions.

Agencies generally have complete control over these classification structure elements. See the Agency Descriptor Tables subchapter for more information.

NOTES REGARDING CLASSIFICATION STRUCTURE SETUP

- The more detailed the structure the more detailed the reporting capabilities.

- The more detailed the structure the more complicated updates, additions, etc. can become.

- With a simplified structure, it may be impossible to later recover detailed information.

- With a more detailed structure, you can always summarize to higher levels.

CLASSIFICATION STRUCTURE REPORTS – WHAT ARE THEY

ORGANIZATION STRUCTURE REPORTS

ORGANIZATION/INDEX REPORTS	
DAFR6640	**Organization/Index Hierarchy** Lists all of the organization structure including agency, division, bureau, section, unit, and the corresponding index within each structure hierarchy. You can request this report for one or multiple fiscal years using SS1 for the four-digit beginning fiscal year and SS2 for the four-digit ending fiscal year. This will report only that organization structure which has not been purged. **NOTE:** SCO ONLY: To run through D M, use DA809110.

_____

DAFR8500	**Index Code Table Listing**
	Lists all index codes on the index code table with all the "lookup" structure information.
	NOTE: SCO ONLY: To run through D M, use DA809120.

PROGRAM STRUCTURE REPORTS

PROGRAM/PCA REPORTS	
DAFR6660	**Program/PCA Hierarchy**
	Lists all of the program structure including agency, function, activity, program, element, PCA1, and the corresponding PCA within each structure hierarchy. You can request this report for one or multiple fiscal years using SS1 for the four-digit beginning fiscal year and SS2 for the four-digit ending fiscal year. This will report only that program structure which has not been purged.
	NOTE: SCO ONLY: To run through D M, use DA809115.
DAFR8560	**PCA Table Listing**
	Lists all PCA codes on the PCA table with all the "lookup" structure information.
	NOTE: SCO ONLY: To run through D M, use DA809130.

OTHER STRUCTURE TABLE REPORTS

BUDGET UNIT

BUDGET UNIT TABLE REPORT	
DAFR8540	**Budget Unit Table Listing**
	Lists all of the budget unit tables with their corresponding lookups, controls, and fund. You can request this report for one or multiple fiscal years using SS1 for the four-digit beginning fiscal year and SS2 for the four-digit ending fiscal year. This will report only the budget units that have not been purged.
	NOTE: SCO ONLY: To run through D M, use DA809125.

_____

GRANT

GRANT TABLE REPORT	
DAFR8590	**Grant Control Table Listing** Lists all of the grant tables with their corresponding lookups and controls. This will report only the grants that have not been purged. **NOTE:** SCO ONLY: To run through D M, use DA809140.

PROJECT

PROJECT TABLE REPORT	
DAFR8580	**Project Table Listing** Lists all of the project tables with their corresponding lookups and controls. This will report only the projects that have not been purged. **NOTE:** SCO ONLY: To run through D M, use DA809135.

GENERAL LEDGER, SUBSIDIARY, AND TRANSACTION CODE REPORTS

TRIAL BALANCE REPORTS

TRIAL BALANCE REPORTS	
DAFR0104	**Trial Balance by Grant** List trial balance by Transaction Year, by fund/dtl, and by grant/ph. Totals by grant then fund.
DAFR6960	**Statewide Trial Balance by Fund** Lists trial balance by Transaction Year and by fund. Shows each G/L account and subsidiaries accumulated statewide. It shows the beginning balance, debits, credits, and ending balance.
DAFR8160	**Trial Balance by Fund/Grant** List trial balance by Transaction Year, by fund/dtl, and by grant/ph. Accumulates by grant then fund **NOTE:** Retain June 30 DAFR8160 for LSO audit.
DAFR8180	**Trial Balance by Fund, GL Acct, & Transaction Code** Lists a trial balance by fund, G/L account, then transaction code. Shows the beginning balance, debits, credits, and ending balance for each transaction code posted to the G/L account. **NOTE:** Retain June 30 DAFR8180 for LSO audit.

_____

_____

DAFR8750 (enter D31 in the Special Select 1 field when requesting)	**Descriptor Table Report – D31 General Ledger Account** Lists all general ledgers on the General Ledger Account Table by G/L account, reference data, and title. See the <u>Statewide Descriptor Tables</u> chapter of this manual for more detailed information on the D31 general ledger account setup.
NOTE: All trial balance reports, except the DAFR8180, show all G/L categories (assets, liabilities, etc.) and list each subsidiary under the respective G/L account.	

SUBSIDIARY REPORTS

SUBSIDIARY REPORTS	
DAFR6980	**Subsidiary Transaction Analysis Report** Shows individual subsidiary transactions processed during the month.
DAFR8750 (enter D32 in the Special Select 1 field when requesting)	**Descriptor Table Report – D32 Subsidiary Table** Lists all subsidiaries on the Subsidiary Table by G/L account, subsidiary number, and subsidiary title. See the <u>Statewide Descriptor Tables</u> chapter of this manual for more detailed information on the D32 subsidiary account setup.

TRANSACTION CODE REPORTS

TRANSACTION CODE REPORTS	
DAFR8640	**Transaction Code Decision Table List – Autodoc** Lists all of the transaction codes for STARS input. Shows the transaction codes, general ledger accounts, input requirements, how the transaction posts to different files, the approval level, and a brief explanation of the transaction code usage. See the <u>Transaction Code Decision Table</u> chapter for more information.
DAFR8740	**GLA vs. Tran Code Cross Reference** Lists all of the STARS general ledger accounts and the transaction codes that post to each G/L account. It shows if the TCs debit or credit the general ledger account and provides the title of each transaction code. See the <u>Transaction Code Decision Table</u> chapter for more information.

_____

DAFR8750 (enter D50 in the Special Select 1 field when requesting)	**Descriptor Table Report – D50 Transaction Code Comment/Approval Table** Lists all transaction codes on the Transaction Code Comment/Approval Table by transaction code, approval level, and title. See the Transaction Code Decision Table chapter of this manual for more detailed information on the D50 transaction code setup. This information is included in the DAFR8640 report, by transaction code.

RELATED LINKS

The following links are to various STARS User Manual chapters:

Agency Descriptor Tables
Agency Classification Structure
Grants
Index
PCA
Projects
Statewide Classification Structure
Statewide Descriptor Tables
Transaction Code Decision Table